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Member FDIC

Established in 1904

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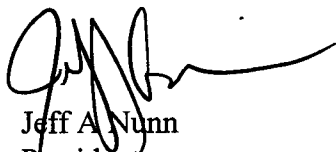
FDIC San Francisco Regional Office
Director Johns F. Carter
25 Jessie Street at Ecker Square, Suite 2300
San Francisco, CA 94105

Dear Mr. Carter:

It is our understanding that Wal-Mart has applied for Deposit Insurance, for it's pending Utah LLC. We are deeply concerned about this for the following reasons.

- Mixing banking and commerce is bad public policy that could jeopardize the impartial allocation of credit and create conflicts of interest. Congress reaffirmed its opposition to the mixing of banking and commerce in the Gramm-Leach-Bliley Act. Imagine a Wal-Mart Bank disfavoring small businesses that compete with Wal-Mart suppliers in credit decision, or requiring Wal-Mart suppliers to bank with the Wal-Mart Bank.
- Wal-Mart has a history of de-stabilizing communities. With its vast resources, it could drive out community banks like it has driven out community grocery stores, pharmacies, and hardware stores. Where would that leave our communities.
- The systemic risk posed by a Wal-Mart bank would be enormous. Wal-Mart already controls 8% of the non-restaurant, non-automotive sales in the U.S. With a branch of Wal-Mart Bank in every store, it would represent a dangerous and unprecedented concentration of economic power.

Sincerely,



Jeff A. Nunn
President